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**BEFORE THE ARIZONA CORPORATION COMMISSION**

**COMMISSIONERS**

Arizona Corporation Commission

**DOCKETED**

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AZ CORP COMMISSION

DOCKET CONTROL

DOUG LITTLE – Chairman

JUL 22 2016

BOB STUMP

BOB BURNS

TOM FORESE

ANDY TOBIN

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF  
ARIZONA PUBLIC SERVICE COMPANY FOR A  
HEARING TO DETERMINE THE FAIR VALUE OF  
THE UTILITY PROPERTY OF THE COMPANY  
FOR RATEMAKING PURPOSES, TO FIX A JUST  
AND REASONABLE RATE OF RETURN  
THEREON, TO APPROVE RATE SCHEDULES  
DESIGNED TO DEVELOP SUCH RETURN

DOCKET NO. E-01345A-16-0036

**RATE CASE**  
**PROCEDURAL ORDER**

**BY THE COMMISSION:**

On June 1, 2016, Arizona Public Service Company (“APS” or “Company”) filed with the Arizona Corporation Commission (“Commission”) the above-captioned Rate Case Application.<sup>1</sup> The application, which is based on a test year ending December 31, 2015, seeks a \$165.9 million net increase in base rates. Among other things, the application also seeks changes in some of its adjustor mechanisms; seeks to establish a new residential and small commercial rate design that moves away from current two-part volumetric rates to three-part demand-based rates; seeks to reduce on-peak time-of-use hours; and seeks to grandfather existing solar customers while modifying net metering arrangements for new solar customers. Pursuant to Commission Decision No. 75047 (April 30, 2015), issues related to APS’s proposed Automated Meter Opt-Out Service Schedule will also be addressed in the proceeding on the application.

Parties who have previously been granted intervention in this docket are Richard Gayer, Patricia Ferré, Warren Woodward, IO Data Centers, LLC (“IO”), Freeport Minerals Corporation (“Freeport”), Arizonans for Electric Choice and Competition (“AECC”), Sun City Home Owners Association (“Sun City HOA”), Western Resource Advocates (“WRA”), and Arizona Investment Council (“AIC”).

On June 14, 2016, APS filed a Notice of Errata.

<sup>1</sup> On January 29, 2016, APS filed its Notice of Intent to File a Rate Case Application and Request to Open Docket.

1 On June 14, 2016, Arizona Utility Ratepayer Alliance (“AURA”) filed a Motion for Leave to  
2 Intervene and Consent to Email Service.

3 On June 15, 2016, Property Owners and Residents Association, Sun City West (“PORA”) filed  
4 an Application to Intervene, signed by Al Gervenack and Rob Robbins. Attached to the intervention  
5 request was a copy of a May 16, 2016 Resolution of the PORA Board of Directors appointing Mr.  
6 Gervenack, PORA Director, as its lay representative in this docket, and Mr. Robbins, PORA President,  
7 as its lay representative in the event Mr. Gervenack is unavailable to actively participate in this  
8 proceeding. PORA also filed a Consent to Email Service.

9 On June 16, 2016, Arizona Solar Energy Industries Association (“AriSEIA”) filed its  
10 Application to Intervene. The filing indicates that on May 10, 2016, the Board of Directors of AriSEIA  
11 authorized Mr. Tom Harris, its Chairman, to act on its behalf in this proceeding. AriSEIA also filed a  
12 Consent to Email Service, but has not as of this date sent a verifying email from its designated email  
13 address for this docket.

14 On June 16, 2016, Arizona School Boards Association (“ASBA”) and Arizona Association of  
15 School Business Officials (“AASBO”) (collectively “ASBA/AASBO”) jointly filed a Motion for  
16 Leave to Intervene.

17 On June 17, 2016, Sun City HOA filed a Clarification.

18 On June 17, 2016, Cynthia Zwick in her individual capacity and Arizona Community Action  
19 Association (“ACAA”) jointly filed a Motion for Leave to Intervene. The joint intervention request  
20 states that Ms. Zwick is authorized to represent ACAA in this proceeding. ACAA also filed a Consent  
21 to Email Service, but has not as of this date sent a verifying email from its designated email address  
22 for this docket.

23 On June 17, 2016, APS filed its Opposition to AURA’s Motion for Leave to Intervene.

24 On June 22, 2016, the Residential Utility Consumer Office (“RUCO”) filed a Motion for Leave  
25 to Intervene.

26 On June 22, 2016, APS docketed copies of its lead/lag study and excerpts from the Handy-  
27 Whitman Bulletin No. 182 used to calculate its proposed reconstruction cost new less depreciation  
28 (“RCND”) rate base.

1 On June 22, 2016, Southwest Energy Efficiency Project ("SWEEP") filed a Motion for Leave  
2 to Intervene and a Consent to Email Service.

3 On June 23, 2016, APS filed its Second Notice of Errata.

4 On June 24, 2016, AURA filed its Response in Support of Motion to Intervene.

5 On June 24, 2016, APS filed a copy of the notice it provided to parties of record of the Rate  
6 Case Technical Conferences scheduled for July 20, 2016, August 23, 2016, September 29, 2016, and  
7 October 26, 2016.

8 On June 27, 2016, Vote Solar filed a Motion for Leave to Intervene and a Consent to Email  
9 Service.

10 On June 28, 2016, APS filed its Reply in Opposition to Arizona Utility Ratepayer Alliance's  
11 Motion to Intervene.

12 On June 29, 2016, the Electrical District Number Eight and McMullen Valley Water  
13 Conservation & Drainage District (collectively, "ED8/McMullen") jointly filed a Motion for Leave to  
14 Intervene. ED8/McMullen also filed a Consent to Email Service, but has not as of this date sent a  
15 verifying email from its designated email address for this docket.

16 On July 1, 2016, the Commission's Utilities Division ("Staff") issued a Letter of Sufficiency  
17 pursuant to Arizona Administrative Code ("A.A.C.") R14-2-103, classifying APS as a Class A utility.

18 On July 1, 2016, AURA filed a Motion to Strike.

19 On July 5, 2016, The Kroger Co. ("Kroger") filed a Motion for Leave to Intervene and a  
20 Consent to Email Service.

21 On July 5, 2016, pursuant to Arizona Supreme Court Rule 39(a), John William Moore, Jr., filed  
22 with the Commission a Motion to Associate Counsel *Pro Hac Vice* to associate Kurt J. Boehm and  
23 Jody Kyler Cohn as counsel for Kroger in this matter.

24 On July 5, 2016, APS filed its Reply in Opposition to Arizona Utility Ratepayer Alliance's  
25 Motion to Strike.

26 July 6, 2016, AURA filed its Response to APS's Reply in Opposition to Arizona Utility  
27 Ratepayer Alliance's Motion to Strike.

28 On July 7, 2016, Tucson Electric Power Company ("TEP") filed a Motion for Leave to

1 Intervene. TEP also filed a Consent to Email Service, but has not as of this date sent a verifying email  
2 from its designated email address for this docket.

3 On July 8, 2016, Pima County filed a Motion for Leave to Intervene. Pima County also filed  
4 a Consent to Email Service, but has not as of this date sent a verifying email from its designated email  
5 address for this docket.

6 On July 11, 2016, Staff filed a Request for Procedural Schedule.

7 On July 12, 2016, Solar Energy Industries Association ("SEIA") filed a Motion for Leave to  
8 Intervene. SEIA also filed a Consent to Email Service, but has not as of this date sent a verifying email  
9 from its designated email address for this docket.

10 On July 15, 2016, the Energy Freedom Coalition of America ("EFCA") filed a Motion to  
11 Intervene.

12 On July 18, 2016 Wal-Mart Stores, Inc. and Sam's West, Inc. (collectively, "Walmart") filed  
13 an Application for Leave to Intervene and a Consent to Email Service.

14 On July 19, 2016, Staff filed a Motion to Consolidate, requesting that this docket be  
15 consolidated with Docket No. E-01345A-16-0123.

16 Numerous public comments have been filed in this docket.

17 Intervention Requests

18 No party has objected to the Motions to Intervene filed by PORA, AriSEIA, ASBA/AASBO,  
19 Cynthia Zwick, ACAA, SWEEP, RUCO, Vote Solar, ED8/McMullen, Kroger, TEP, Pima County, and  
20 SEIA.

21 Accordingly, PORA, AriSEIA, ASBA/AASBO, Cynthia Zwick, ACAA, SWEEP, RUCO, Vote  
22 Solar, ED8/McMullen, Kroger, TEP, Pima County, and SEIA should be granted intervention.

23 AURA's Intervention Request

24 APS has contested AURA's intervention request.

25 In its Motion to Intervene, AURA states that it is a nonpolitical, non-partisan organization  
26 founded in 2015 "to advise and represent utility ratepayers on vital issues affecting their pocketbook,"  
27 and to advocate "on behalf of everyday Arizonans to ensure that utilities act responsibly with affordable  
28 rates, subject to transparent regulation, while providing sustainable utility services." AURA asserts

1 that it is independent from any government entity, and contends that it is unique in its commitment to  
2 all Arizona ratepayers and its advocacy for effective and efficient utility oversight. AURA states that  
3 while it does not advocate any particular alternative energy production or efficiency measures, it  
4 believes that “all such prudent measures should be part of Arizona’s energy portfolio, without undue  
5 ratepayer subsidies.” AURA indicates that it is particularly interested in APS’s rate design proposals  
6 and proposals to modify its net metering tariff, but that it wishes to reserve the right to take positions  
7 on any other issues in this case. AURA contends that no other party can adequately represent AURA’s  
8 interests.

9 APS states that AURA is the Arizona registered trade name for Quinn & Associates, LLC,  
10 whose only members are Mr. Patrick Quinn, a registered lobbyist, and his wife.<sup>2</sup> APS states that Mr.  
11 Quinn has described Quinn & Associates as a business and political consulting firm, and that Mr. Quinn  
12 has testified that AURA is funded by the Energy Foundation, whose mission, according to its website,  
13 is “to promote the transition to a sustainable energy future by advancing energy efficiency and  
14 renewable energy.” APS contends that because AURA is a lobbying firm, it lacks a direct and  
15 substantial interest in this docket. APS posits that AURA’s participation “is both redundant and almost  
16 certain to unduly expand the scope of the docket.” APS contends that at a minimum, AURA should be  
17 grouped with other intervenors having substantially like interests and positions into a class pursuant to  
18 A.A.C. R14-2-105(C). A.A.C. R14-2-105(C) addresses the declaration of a class of “interested  
19 persons” for purposes of hearing.

20 A.A.C. R14-3-105 allows parties who are directly and substantially affected by a proceeding to  
21 intervene. AURA has stated an interest in the issue of alternative energy production without undue  
22 ratepayer subsidies, and in the issue of the effects of a rate design with demand charges, both of which  
23 are implicated by APS’s rate case. Rule 105 does not require that a party be a customer, or do business  
24 with the utility, in order to have an interest in the proceeding sufficient to intervene. AURA’s business  
25 form does not preclude intervention, nor does the fact that other parties to a case may have interests  
26 similar to those expressed by AURA. It has not been demonstrated at this time that AURA’s  
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28 <sup>2</sup> The members of Quinn & Associates, LLC are Patrick J. Quinn and Marcia M. Quinn.

1 participation will unduly broaden the issues in this docket, or that there is a need to declare a class, or  
2 classes, of “interested persons” for this docket.

3 Accordingly, AURA should be granted intervention.

4 Consents to Email Service

5 **The Commission is appreciative of parties’ requests to receive service by email. The**  
6 **Commission will soon be implementing a procedure whereby all filings made by a Commissioner,**  
7 **the Commission’s Executive Director, or a Commission Division will be served upon parties who**  
8 **have consented to email service via an email containing either an electronic copy of the filing or**  
9 **a link to access the filing online. Parties who do not consent to email service may not be able to**  
10 **receive some documents, such as Amendments to Open Meeting Agenda items.**

11 Representatives from AURA, PORA, SWEEP, and Vote Solar have opted to receive service of  
12 all filings in this docket, including all filings by parties and all Procedural Orders and Recommended  
13 Opinions and Orders/Recommended Orders issued by the Commission’s Hearing Division, via their  
14 designated email addresses rather than via U.S. Mail. AURA, PORA, SWEEP, and Vote Solar have  
15 each exercised this option by docketing hard copies of their Consents to Email Service, and by sending  
16 emails containing their names and the docket number for this matter to  
17 HearingDivisionServicebyEmail@azcc.gov from their designated email addresses. The Hearing  
18 Division has verified the validity of their designated email addresses, which now appear on the service  
19 list for this matter in addition to their addresses for U.S. Mail. In addition, courtesy email addresses  
20 appear for delivery of courtesy emails to other individuals associated with those parties.

21 The Consents to Email Service filed by AURA, PORA, SWEEP, and Vote Solar should be  
22 granted.

23 Several parties granted intervention by this Procedural Order have requested to receive service  
24 by email, but have not as of this date sent an email containing the party’s name and the docket number  
25 for this matter to HearingDivisionServicebyEmail@azcc.gov from the party’s designated email  
26 address.<sup>3</sup> Once those parties have accomplished this necessary step so that the Hearing Division may

27 \_\_\_\_\_  
28 <sup>3</sup> As noted in the procedural history above, these parties are AriSEIA, ACAA, ED8/McMullen, Kroger, TEP, Pima County, and SEIA.

1 verify the party's designated email address for accomplishing service, the party's request will be  
2 approved by a subsequent Procedural Order. In addition to the party's designated email address for  
3 accomplishing service, additional courtesy email addresses for the party will also be added to the  
4 service list at that time.

5 Lay Representatives

6 Pursuant to Arizona Supreme Court Rule 31(d)(28), a non-profit organization may be  
7 represented before the Commission by a corporate officer, employee, or a member who is not an active  
8 member of the state bar, if (1) the non-profit organization has specifically authorized the officer,  
9 employee, or member to represent it in the particular matter; (2) such representation is not the person's  
10 primary duty to the non-profit organization, but is secondary or incidental to such person's duties  
11 relating to the management or operation of the non-profit organization; and (3) the person is not  
12 receiving separate or additional compensation (other than reimbursement for costs) for such  
13 representation. Arizona Supreme Court Rule 31(d)(28) further states that the Commission or presiding  
14 officer may require counsel in lieu of lay representation whenever it is determined that lay  
15 representation is interfering with the orderly progress of the proceeding, imposing undue burdens on  
16 the other parties, or causing harm to the parties represented.

17 Mr. Al Gervenack and Mr. Rob Robbins should be authorized to represent PORA as lay  
18 representatives in this proceeding.

19 Mr. Tom Harris should be authorized to represent AriSEIA as lay representative in this  
20 proceeding.

21 Ms. Cynthia Zwick should be authorized to represent ACAA as lay representative in this  
22 proceeding.

23 Requests to Participate *Pro Hac Vice*

24 The Motion filed by John William Moore, Jr. requesting authority to associate Kurt J. Boehm  
25 and Jody Kyler Cohn *pro hac vice* as counsel for Kroger in this matter lists Mr. Moore as the designated  
26 member of the Arizona State Bar with whom communication may be made, and upon whom papers  
27 should be served. Attached to the filing is a copy of the verified Application for Appearance *Pro Hac*  
28 *Vice* filed with the State Bar of Arizona for Mr. Boehm and Ms. Cohn; a copy of the certificates of

1 good standing from the jurisdictions in which they have been admitted to practice law; and copies of  
2 the Notices of Receipt of Complete Application from the State Bar of Arizona.

3 In the discretion of the Commission, Mr. Boehm and Ms. Cohn should be permitted to appear  
4 and participate *pro hac vice* in this matter on behalf of Kroger.

#### 5 Proposed Procedural Schedule

6 Staff requests that the following procedural schedule be adopted for this case:

7 Staff and Intervenor Direct Testimony (except rate design)	Wednesday, December 21, 2016
8 Staff and Intervenor Direct Testimony (rate design)	Friday, January 27, 2017
9 APS Rebuttal Testimony	Friday, February 17, 2017
10 Staff and Intervenor Surrebuttal Testimony	Friday, March 10, 2017
11 APS Rejoinder Testimony	Friday, March 17, 2017
12 Prehearing Conference	Monday, March 20, 2017
13 Proposed Hearing Commencement Date	Wednesday, March 22, 2017

14 Staff states that APS and RUCO have indicated to Staff that they are in agreement with Staff's  
15 proposed schedule. Staff requests that a procedural conference be scheduled, if needed, to discuss the  
16 schedule and other procedural matters the parties may have concerning the processing of this case.

17 The procedural schedule for processing this case proposed by Staff appears to be balanced and  
18 fair and should provide sufficient time to conclude the case within 12 months of the sufficiency finding.  
19 It will therefore be adopted.

#### 20 Pending Intervention Requests

21 The intervention requests filed by EFCA and Wal-Mart will not be ruled upon in this Procedural  
22 Order, but will be considered after sufficient time has been allowed for the filing of any responses.

#### 23 Motion to Consolidate

24 The Motion to Consolidate filed by Staff will not be ruled upon in this Procedural Order, but  
25 will be considered after sufficient time has been allowed for the filing of any responses.

26 IT IS THEREFORE ORDERED that the **hearing in this matter shall commence on March**  
27 **22, 2017, at 10:00 a.m.**, at the Commission's offices, 1200 West Washington Street, Hearing Room  
28 No. 1, Phoenix, Arizona 85007.



1 IT IS FURTHER ORDERED that a **pre-hearing conference shall be held on March 20, 2017,**  
2 **at 10:00 a.m.,** at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1,  
3 Phoenix, Arizona 85007.

4 IT IS FURTHER ORDERED that the **direct testimony** and associated exhibits to be presented  
5 at hearing on behalf of **Staff and intervenors on issues other than rate design** shall be reduced to  
6 writing and filed on or before **December 21, 2016.**

7 IT IS FURTHER ORDERED that the **direct testimony** and associated exhibits to be presented  
8 at hearing **on behalf of Staff and intervenors on rate design issues** shall be reduced to writing and  
9 filed on or before **January 27, 2017.**

10 IT IS FURTHER ORDERED that any **rebuttal testimony** and associated exhibits to be  
11 presented at hearing by **APS** shall be reduced to writing and filed on or before **February 17, 2017.**

12 IT IS FURTHER ORDERED that any **surrebuttal testimony** and associated exhibits to be  
13 presented by **Staff and intervenors** shall be reduced to writing and filed on or before **March 10, 2017.**

14 IT IS FURTHER ORDERED that any **rejoinder testimony** and associated exhibits to be  
15 presented at hearing by **APS** shall be reduced to writing and filed on or before **March 17, 2017.**

16 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m. on the date the filing**  
17 **is due.**

18 IT IS FURTHER ORDERED that any **objections to pre-filed testimony or exhibits shall be**  
19 **made before or at the March 20, 2017 pre-hearing conference.**

20 IT IS FURTHER ORDERED that all testimony filed shall include a **table of contents** which  
21 lists the issues discussed.

22 IT IS FURTHER ORDERED that any substantive corrections, revisions, or supplements to pre-  
23 filed testimony, with the exception of rejoinder testimony, shall be reduced to writing and filed no later  
24 than **five calendar days before the witness is scheduled to testify.**

25 IT IS FURTHER ORDERED that the parties shall prepare a brief, written summary of the pre-  
26 filed testimony of each of their witnesses and **shall file each summary at least two working days**  
27 **before the witness is scheduled to testify.**  
28

1 IT IS FURTHER ORDERED that intervention shall be in accordance with A.A.C. R14-3-105,  
2 except that **all motions to intervene must be filed on or before November 10, 2017.**

3 IT IS FURTHER ORDERED that discovery shall be as permitted by law and the rules and  
4 regulations of the Commission, except that until **December 21, 2010**, any objection to discovery  
5 requests shall be made within 7 calendar days of receipt,<sup>4</sup> and responses to discovery requests shall be  
6 made within 10 calendar days of receipt. Thereafter, objections to discovery requests shall be made  
7 within 5 calendar days, and responses shall be made within 7 calendar days. The response time may  
8 be extended by mutual agreement of the parties involved if the request requires an extensive  
9 compilation effort.

10 IT IS FURTHER ORDERED that for discovery requests, objections, and answers, if a receiving  
11 party requests service to be made electronically, and the sending party has the technical capability to  
12 provide service electronically, service to that party shall be made electronically.

13 IT IS FURTHER ORDERED that, in the alternative to filing a written motion to compel  
14 discovery, any party seeking resolution of a discovery dispute may telephonically contact the  
15 Commission's Hearing Division to request a date for a procedural conference to resolve the discovery  
16 dispute; that upon such a request, a procedural conference will be convened as soon as practicable; and  
17 that the party making such a request shall forthwith contact all other parties to advise them of the date  
18 and time of the procedural conference and shall at the procedural conference provide a statement  
19 confirming that the other parties were contacted.<sup>5</sup>

20 IT IS FURTHER ORDERED that any motions which are filed in this matter and which are not  
21 ruled upon by the Commission within 20 calendar days of the filing date of the motion shall be deemed  
22 denied.

23 IT IS FURTHER ORDERED that any responses to motions shall be filed within five calendar  
24 days of the filing date of the motion.

25  
26  
27 <sup>4</sup> The date of receipt of discovery requests is not counted as a calendar day, and requests received after 4:00 p.m. Arizona  
time will be considered as received the next business day.

28 <sup>5</sup> The parties are encouraged to attempt to settle discovery disputes through informal, good-faith negotiations before  
seeking Commission resolution of the controversy.

1 IT IS FURTHER ORDERED that any replies shall be filed within five calendar days of the  
2 filing date of the response.

3 IT IS FURTHER ORDERED that APS shall provide public notice of the hearing in this matter,  
4 in the following form and style with the heading in no less than 24-point bold type and the body in no  
5 less than 10-point regular type:

6 **PUBLIC NOTICE OF HEARING**  
7 **ON ARIZONA PUBLIC SERVICE COMPANY'S APPLICATION**  
8 **FOR A PERMANENT RATE INCREASE**  
9 **DOCKET NO. E-01345A-16-0036**

10 **Summary**

11 On June 1, 2016, Arizona Public Service Company ("APS" or "Company") filed an  
12 application with the Arizona Corporation Commission ("Commission") for a permanent  
13 base rate increase. The application seeks a \$165.9 million net increase in base rates.  
14 Among other things, the application also seeks changes in some of its adjustor  
15 mechanisms; seeks to establish a new residential and small commercial rate design that  
16 moves away from current two-part volumetric rates to three-part demand-based rates;  
17 seeks to reduce on-peak time-of-use hours; and seeks to grandfather existing solar  
18 customers while modifying net metering arrangements for new solar customers.  
19 Pursuant to Commission Decision No. 75047 (April 30, 2015), issues related to APS's  
20 proposed Automated Meter Opt-Out Service Schedule will be addressed in the rate case  
21 proceeding.

22 The requested gross base rate increase is the sum of three parts: (1) a non-fuel increase  
23 of \$227.6 million; (2) the revenue-neutral transfer into base rates of \$276.6 million  
24 currently being recovered through adjustor mechanisms; and (3) a decrease in base fuel  
25 costs of (\$61.7 million). The net percentage impact of the Company's request on  
26 customer bills will be an increase of approximately 5.74% on average. **The actual  
27 percentage rate increase for individual customers that would result from the  
28 application will vary depending upon the type and quantity of service provided.**

**THE COMMISSION'S UTILITIES DIVISION ("STAFF") IS IN THE PROCESS  
OF REVIEWING AND ANALYZING THE APPLICATION. NEITHER Staff  
NOR ANY INTERVENOR HAS YET MADE ANY RECOMMENDATION  
REGARDING APS'S REQUEST. THE COMMISSION IS NOT BOUND BY  
THE PROPOSALS MADE BY APS, STAFF, OR ANY INTERVENORS. THE  
COMMISSION WILL DETERMINE THE APPROPRIATE RATEMAKING  
TREATMENT OF THE REVENUES AND EXPENSES RELATED TO APS'S  
APPLICATION BASED ON THE EVIDENCE PRESENTED IN THIS  
PROCEEDING. THE FINAL RATES APPROVED BY THE COMMISSION  
MAY BE HIGHER, LOWER, OR DIFFERENT THAN THE RATES  
PROPOSED BY APS OR BY OTHER PARTIES.**

If you have any questions concerning how the Application may affect your bill or other  
substantive questions about the Application, you may contact the Company at:  
**[COMPANY INSERT NAME, ADDRESS, TELEPHONE NUMBER, AND E-  
MAIL ADDRESS FOR CUSTOMER CONTACTS CONCERNING THE  
APPLICATION].**

**How You Can View or Obtain a Copy of the Application**

Copies of the Application are available from APS [COMPANY INSERT HOW AND WHERE AVAILABLE]; at the Commission's Docket Control Center at 1200 West Washington Street, Phoenix, Arizona, during regular business hours; and on the Commission website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function.

**Arizona Corporation Commission Public Hearing Information**

The Commission will hold a hearing on this matter beginning **March 22, 2017, at 10:00 a.m.**, at the Commission's offices, Hearing Room #1, 1200 West Washington Street, Phoenix, Arizona. Public comments will be taken on the first day of the hearing.

Written public comments may be submitted by mailing a letter referencing **Docket No. E-01345A-16-0036** to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Submit a Public Comment for a Utility" function. If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

**If you do not intervene in this proceeding, you will receive no further notice of the proceedings in this docket. However, all documents filed in this docket are available online** (usually within 24 hours after docketing) at the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function. You may choose to subscribe to an RSS feed for this case using the e-Docket function.

**About Intervention**

The law provides for an open public hearing at which, under appropriate circumstances, interested persons may intervene. An interested person may be granted intervention if the outcome of the case will directly and substantially impact the person, and the person's intervention will not unduly broaden the issues in the case. Intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other parties' witnesses. **Intervention is not required if you want to appear at the hearing and provide public comment on the Application, or if you want to file written comments in the record of the case.**

To request intervention, you must file an **original and 13 hard copies** of a written request to intervene with Docket Control, 1200 West Washington, Phoenix, AZ 85007, **no later than November 10, 2016**. You also **must** serve a copy of the request to intervene on each party of record on the same day that you file the request to intervene with the Commission. **Information about what intervention means, including an explanation of the rights and responsibilities of an intervenor, is available on the Commission's website ([www.azcc.gov](http://www.azcc.gov)) using the "Intervention in Utility Cases" link.** The link also includes sample intervention requests.

If you choose to request intervention, your request must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any person upon whom service of documents is to be made, if not yourself;
2. A reference to **Docket No. E-01345A-16-0036**;
3. A short statement explaining:
  - a. Your interest in the proceeding (e.g., a customer of APS, etc.),
  - b. How you will be directly and substantially affected by the outcome of the case, and
  - c. Why your intervention will not unduly broaden the issues in the case;

4. A statement certifying that you have served a copy of the request to intervene on APS or its attorney and all other parties of record in the case; and
5. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, sufficient information and any appropriate documentation to demonstrate compliance with Arizona Supreme Court Rules 31, 38, 39, and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before November 10, 2016.

**ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail [SABernal@azcc.gov](mailto:SABernal@azcc.gov), voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that APS shall **mail** to each of its customers a copy of the above notice as a bill insert beginning with the first available billing cycle and shall cause a copy of such notice to be **published at least twice in a newspaper of general circulation** in the service territory of each affected district, with mailing and publication to be completed no later than **August 31, 2016.**

IT IS FURTHER ORDERED that APS shall file **certification of mailing and publication** as soon as possible after the mailing and publication have been completed, but no later than **October 3, 2016.**

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that AURA, PORA, AriSEIA, ASBA/AASBO, Cynthia Zwick, ACAA, SWEEP, RUCO, Vote Solar, ED8/McMullen, Kroger, TEP, Pima County, and SEIA are hereby granted intervention.

IT IS FURTHER ORDERED that the requests by AURA, PORA, SWEEP, and Vote Solar to receive service of all filings in this docket, including all filings by parties and all Procedural Orders and Recommended Opinions and Orders/Recommended Orders issued by the Commission's Hearing Division, via their respective designated email addresses rather than via U.S. Mail, is hereby approved.

IT IS FURTHER ORDERED that Mr. Al Gervenack and Mr. Rob Robbins are authorized to represent PORA in this proceeding as PORA's lay representatives, pursuant to Arizona Supreme Court Rule 31(d)(28).

1 IT IS FURTHER ORDERED that Mr. Tom Harris is authorized to represent AriSEIA in this  
2 proceeding as AriSEIA's lay representative, pursuant to Arizona Supreme Court Rule 31(d)(28).

3 IT IS FURTHER ORDERED that Ms. Cynthia Zwick is authorized to represent ACAA in this  
4 proceeding as ACAA's lay representative, pursuant to Arizona Supreme Court Rule 31(d)(28).

5 IT IS FURTHER ORDERED that pursuant to Arizona Supreme Court Rule 31(d)(28), the  
6 Commission or presiding officer may require counsel in lieu of lay representation if it is determined  
7 that lay representation is interfering with the orderly progress of the proceeding, imposing undue  
8 burdens on the other parties, or causing harm to the parties represented.

9 IT IS FURTHER ORDERED that Kurt J. Boehm and Jody Kyler Cohn are admitted *pro hac*  
10 *vice* in the above-captioned matter.

11 IT IS FURTHER ORDERED that Mr. Boehm's and Ms. Cohn's address for service of papers  
12 and other communication is:

13 Kurt J. Boehm  
14 Jody Kyler Cohn  
15 Boehm, Kurtz & Lowry  
16 36 E. Seventh St., Suite 1510  
17 Cincinnati, OH 45202

18 IT IS FURTHER ORDERED that the address for service of papers and other communication  
19 for the Arizona-licensed attorney designated as local counsel is:

20 John William Moore, Jr.  
21 7321 North 16<sup>th</sup> Street  
22 Phoenix, AZ 85020

23 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance  
24 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona  
25 Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings  
26 and procedural conferences, as well as all Open Meetings for which the matter is scheduled for  
27 discussion, unless counsel has previously been granted permission to withdraw by the Administrative  
28 Law Judge or the Commission.

IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules  
31, 38, 39, and 42 and A.R.S. § 40-243 with respect to the practice of law and admission *pro hac vice*.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized

1 Communications) applies to this proceeding and shall remain in effect until the Commission's Decision  
2 in this matter is final and non-appealable.

3 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended  
4 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

5 IT IS FURTHER ORDERED that, as permitted under A.A.C. R14-3-107(B), each party  
6 to this matter may opt to receive service of all filings in this docket, including all filings by parties  
7 and all Procedural Orders and Recommended Opinions and Orders/Recommended Orders  
8 issued by the Commission's Hearing Division, via email sent to an email address provided by the  
9 party rather than via U.S. Mail. To exercise this option, a party shall:

- 10 1. Ensure that the party has a valid and active email address to which the party has  
11 regular and reliable access ("designated email address");
- 12 2. Complete a Consent to Email Service using the form available on the  
13 Commission's website ([www.azcc.gov](http://www.azcc.gov)) or a substantially similar format;
- 14 3. File the original and 13 copies of the Consent to Email Service with the  
15 Commission's Docket Control, also providing service to each party to the service  
16 list;
- 17 4. Send an email, containing the party's name and the docket number for this matter,  
18 to [HearingDivisionServicebyEmail@azcc.gov](mailto:HearingDivisionServicebyEmail@azcc.gov) from the designated email address,  
19 to allow the Hearing Division to verify the validity of the designated email address;
- 20 5. Understand and agree that service of a filing on the party shall be complete upon  
21 the first of the following to occur: (1) the sending, to the designated email address,  
22 of an email containing an electronic copy of the filing or a link to access the filing  
23 online; or (2) for a filing made by a Commissioner, the Commission's Executive  
24 Director, or a Commission Division, the making of the filing with a service  
25 certification including coding indicating that an automatic service email for the  
26 filing shall be sent to each party whose consent to email service has been approved;
- 27 6. Understand and agree that the party may provide additional email addresses on  
28 the Consent to Email Service for individuals to whom the party desires to have

1 service emails sent as a courtesy, but that these courtesy email addresses are not  
2 the designated email address and will not be verified; and

- 3 7. Understand and agree that the party will no longer receive service of filings in this  
4 matter through First Class U.S. Mail or any other form of hard-copy delivery,  
5 unless and until the party withdraws this consent through a filing made in this  
6 docket.

7 IT IS FURTHER ORDERED that a party's consent to email service shall not become  
8 effective until a Procedural Order is issued approving the use of email service for the party. The  
9 Procedural Order shall be issued only after the party has completed steps 1 through 4 above, and  
10 the Hearing Division has verified receipt of an email from the party's designated email address.

11 IT IS FURTHER ORDERED that a party's election to receive service of all filings in this  
12 matter via email does not change the requirement that all filings with the Commission's Docket  
13 Control must be made in hard copy and must include an original and 13 copies.

14 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or  
15 waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at  
16 hearing.

17 DATED this 22<sup>d</sup> day of July, 2016.

18  
19   
20 TEENA JIBILIAN  
21 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE  
22  
23  
24  
25  
26  
27  
28



Copies of the foregoing mailed/delivered  
this 22<sup>nd</sup> day of July, 2016 to:

Thomas A. Loquvam  
Thomas L. Mumaw  
Melissa M. Krueger  
PINNACLE WEST CAPITAL CORPORATION  
PO BOX 53999, MS 8695  
Phoenix, AZ 85072  
Attorneys for Arizona Public Service Company

Patricia Ferré  
P.O. Box 433  
Payson, AZ 85547

Richard Gayer  
526 W. Wilshire Drive  
Phoenix, AZ 85003  
[rgayer@cox.net](mailto:rgayer@cox.net)

**Consented to Service by Email**

Warren Woodward  
55 Ross Circle  
Sedona, AZ 86336  
[w6345789@yahoo.com](mailto:w6345789@yahoo.com)

**Consented to Service by Email**

Anthony L. Wanger  
Alan L. Kierman  
Brittany L. DeLorenzo  
IO DATA CENTERS, LLC  
615 N. 48<sup>th</sup> St.  
Phoenix, AZ 85008

Patrick J. Black  
C. Webb Crockett  
FENNEMORE CRAIG, PC  
2394 E. Camelback Road, Suite 600  
Phoenix, Arizona 85016  
Attorneys for Freeport Minerals Corporation and  
Arizonans for Electric Choice and Competition  
[wcrocket@fclaw.com](mailto:wcrocket@fclaw.com)  
[pblack@fclaw.com](mailto:pblack@fclaw.com)  
[khiggins@energystrat.com](mailto:khiggins@energystrat.com)

**Consented to Service by Email**

1 Greg Eisert, Director  
2 Steven Puck, Director  
3 Government Affairs  
4 SUN CITY HOMEOWNERS ASSOCIATION  
5 10401 W. Coggins Drive  
6 Sun City, AZ 85351  
7 [gregeisert@gmail.com](mailto:gregeisert@gmail.com)  
8 [Steven.puck@cox.net](mailto:Steven.puck@cox.net)

9 **Consented to Service by Email**

10 Timothy M. Hogan  
11 ARIZONA CENTER FOR LAW IN THE PUBLIC INTEREST  
12 202 E. McDowell Road, Suite 153  
13 Phoenix, Arizona 85004  
14 Attorney for Western Resource Advocates  
15 [thogan@aic@aclpi.org](mailto:thogan@aic@aclpi.org)  
16 [ken.wilson@westernresources.org](mailto:ken.wilson@westernresources.org)  
17 [schlegelj@aol.com](mailto:schlegelj@aol.com)  
18 [ezuckerman@swenergy.org](mailto:ezuckerman@swenergy.org)  
19 [bbaatz@aceee.org](mailto:bbaatz@aceee.org)  
20 [briana@votesolar.org](mailto:briana@votesolar.org)

21 **Consented to Service by Email for Western Resource Advocates, Southwest Energy Efficiency Project and Vote Solar**

22 Also Attorney for Arizona School Boards Association and Arizona Association of School Business  
23 Officials, who have not yet consented to Service by Email

24 Meghan H. Grabel  
25 OSBORN MALEDON, P.A.  
26 2929 N. Central Ave., Suite 2100  
27 Phoenix, Arizona 85012  
28 Attorney for Arizona Investment Council  
[Mgrabel@omlaw.com](mailto:Mgrabel@omlaw.com)  
[gyaquinto@arizonaaic.org](mailto:gyaquinto@arizonaaic.org)

**Consented to Service by Email**

Al Gervenack, Director  
Rob Robbins, President  
PROPERTY OWNERS & RESIDENTS ASSOCIATION  
13815 Camino del Sol  
Sun City West, AZ 85372  
[Al.gervenack@porascw.org](mailto:Al.gervenack@porascw.org)  
[Rob.robbsins@porascw.org](mailto:Rob.robbsins@porascw.org)

**Consented to Service by Email**

Tom Harris, Chairman  
ARIZONA SOLAR ENERGY INDUSTRIES ASSOCIATION  
2122 W. Lone Cactus Dr., Suite 2  
Phoenix, AZ 85027

1 Cynthia Zwick, Executive Director  
2 Kevin Hengehold, Energy Program Director  
ARIZONA COMMUNITY ACTION ASSOCIATION  
3 2700 N. 3<sup>rd</sup> Street, Suite 3040  
Phoenix, AZ 85004

4  
5 Daniel Pozefsky, Chief Counsel  
RESIDENTIAL UTILITY CONSUMER OFFICE  
6 1110 W. Washington, Suite 220  
Phoenix, AZ 85007

7  
8 Jay I. Moyes  
MOYES SELLERS & HENDRICKS LTD  
9 1850 N. Central Avenue, Suite 1100  
Phoenix, AZ 85012  
10 Attorneys for Electrical District Number Eight and  
McMullen Valley Water Conservation & Drainage District

11  
12 Kurt J. Boehm  
Jody Kyler Cohn  
13 BOEHM KURTZ & LOWRY  
36 E. Seventh Street, Suite 1510  
14 Cincinnati, OH 45202  
Attorneys for The Kroger Co.

15  
16 John William Moore, Jr.  
1321 North 16<sup>th</sup> Street  
17 Phoenix, AZ 85020  
Attorney for The Kroger Co.

18  
19 Michael W. Patten  
Jason D. Gellman  
SNELL & WILMER LLP  
20 One Arizona Center  
400 East Van Buren Street  
21 Phoenix, AZ 85004  
Attorneys for Tucson Electric Power Company

22  
23 Charles Wesselhoft  
Deputy County Attorney  
PIMA COUNTY ATTORNEY'S OFFICE  
24 32 North Stone Avenue, Suite 2100  
Tucson, AZ 85701

25  
26 Giancarlo G. Estrada  
KAMPER ESTRADA, LLP  
3030 N. 3<sup>rd</sup> Street, Suite 770  
27 Phoenix, AZ 85012  
Attorney for Solar Energy Industries Association  
28

1 Janice Alward, Chief Counsel  
2 Legal Division  
3 ARIZONA CORPORATION COMMISSION  
4 1200 West Washington Street  
5 Phoenix, AZ 85007

6 Thomas Broderick, Director  
7 Utilities Division  
8 ARIZONA CORPORATION COMMISSION  
9 1200 West Washington Street  
10 Phoenix, AZ 85007

11 COASH & COASH  
12 COURT REPORTING, VIDEO AND  
13 VIDEOCONFERENCING  
14 1802 North 7<sup>th</sup> Street  
15 Phoenix, AZ 85006

16 **Pending Interventions:**

17 Court S. Rich  
18 ROSE LAW GROUP PC  
19 7144 E. Stetson Drive, Suite 300  
20 Scottsdale, AZ 85251  
21 Attorney for Energy Freedom Coalition of America

22 Scott S. Wakefield  
23 HIENTON CURRY, PLLC  
24 5045 N. 12<sup>th</sup> Street, Suite 110  
25 Phoenix, AZ 85014  
26 Attorney for Wal-Mart Stores, Inc.

27 Steve W. Chriss  
28 Senior Manager, Energy Regulatory Analysis  
Wal-Mart Stores, Inc.  
2011 S.E. Street  
Bentonville, AR 72716

Chris Hendrix  
Director of Markets & Compliance  
Wal-Mart Stores, Inc.  
2011 S.E. Street  
Bentonville, AR 72716

Gregory W. Tillman  
Senior Manager, Energy Regulatory Analysis  
Wal-Mart Stores, Inc.  
2011 S.E. Street  
Bentonville, AR 72716

**Service List for Docket No. E-01345A-13-0069:**

1 Thomas L. Mumaw  
2 Melissa M. Krueger  
PINNACLE WEST CAPITAL CORPORATION  
3 400 North 5<sup>th</sup> Street, MS 8695  
Phoenix, AZ 85004  
Attorneys for APS

4 Michael A. Curtis  
5 William P. Sullivan  
CURTIS, GOODWIN, SULLIVAN, UDALL & SCHWAB, PLC  
6 501 East Thomas Road  
Phoenix, AZ 85012-3205  
7 Attorneys for Navopache and Mohave

8 Tyler Carlson, Chief Operating Officer  
9 Peggy Gillman, Manager of Public Affairs and Energy Services  
MOHAVE ELECTRIC COOPERATIVE, INCORPORATED  
10 P.O. Box 1045  
Bullhead City, AZ 86430

11 Charles R. Moore, Chief Executive Officer  
NAVOPACHE ELECTRIC COOPERATIVE, INC.  
12 1878 West White Mountain Blvd.  
Lakeside, AZ 85929

13 Patricia C. Ferre  
14 P.O. Box 433  
Payson, AZ 85547

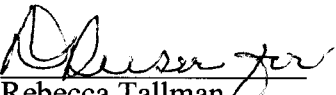
15 Lewis M. Levenson  
16 1308 East Cedar Lane  
Payson, AZ 85541

17 Warren Woodward  
18 55 Ross Circle  
Sedona, AZ 86336

19 Patty Ihle  
20 304 E. Cedar Mill Road  
Star Valley, AZ 85541

21 Clara Marie Fritz  
22 6770 W. Hwy 89A, #80  
Sedona, AZ 86336

23 David A. Pennartz  
24 Landon W. Loveland  
GUST ROSENFELD PLC  
25 One East Washington, Suite 1600  
Phoenix, AZ 85004  
26 Attorneys for the City of Sedona

27 By:   
28 Rebecca Tallman  
Assistant to Teena Jibilian